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FORM 10-Q

MANUALLY EXECUTED

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 1991.

11/w
B92-2229

OR

___ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

BEST COPY AVAILABLE

Commission file number: 33-41809-D

Auburn Equities, Inc.
(Exact name of Registrant as specified in its charter)

Colorado	84-1118262
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification Number)

3441 South Lincoln, Englewood, Colorado 80110
(Address of principal executive offices and Zip Code)

(303) 781-1115
(Registrant's telephone number)

PROCESSED BY
11-11-92
NOV 1 1992

(Former name, former address and former fi if changed since last report)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 of 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes X No ___

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APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15 (d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.
Yes ___ No ___

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Title of Class	Shares Outstanding at March 15, 1992
Common stock, $.00001 par value	184,478

AUBURN EQUITIES, INC.

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AUBURN EQUITIES, INC.
(A Development Stage Company)

BALANCE SHEET

December 31, 1990 and September 30, 1991

ASSETS

	December 31, 1990	September 30, 1991 (Unaudited)
Current asset:		
Cash	$ -	$ 5
Other assets:		
Deferred stock offering costs (Note 2)	-	12,710
Organizational costs, net of accumulated amortization of $383 (1990) and 533 (1991)	617	467
	$ 617	$13,182

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

Current liabilities:		
Accounts payable	$ 2,135	$ 935
Due to shareholder	-	5,800
Total current liabilities	2,135	6,735
Commitments and contingencies (Note 4)		
Stockholders' equity (deficit):		
Preferred stock, $.01 par value; 100,000 shares authorized, none issued	-	-
Common stock, $.00001 par value; 900,000,000 shares authorized, 50,000 shares in 1990 and 144,500 shares in 1991 issued and outstanding (Notes 3 and 4)	1	1
Additional paid-in capital	11,999	23,339
Deficit accumulated during the development stage	(13,518)	(16,893)
Total stockholders' equity (deficit)	(1,518)	6,447
	$ 617	$13,182

See accompanying notes.

AUBURN EQUITIES, INC.
(A Development Stage Company)

STATEMENT OF OPERATIONS

For the Three Months and Nine Months Ended September 30, 1990 and 1991
And For the Period from Inception to September 30, 1991
(Unaudited)

	Three months ended September 30, 1990	Three months ended September 30, 1991	Nine months ended September 30, 1990	Nine months ended September 30, 1991	Cumulative amounts from inception
Revenues	$ -	$ -	$ -	$ -	$ -
Costs and expenses:					
Amortization	50	50	150	150	533
General and administrative	-	999	159	3,225	4,086
Expenses of unsuccessful public offering	-	-	-	-	12,274
Total costs and expenses	50	1,049	309	3,375	16,893
Net loss	$ (50)	$ (1,049)	$ (309)	$(3,375)	$(16,893)
Net loss per share of common stock	$ *	$ (.01)	$ (*)	$ (.02)	$ (.12)
Weighted average number of shares outstanding	144,500	144,500	144,500	144,500	144,500

* Less than $(.01) per share

See accompanying notes.

AUBURN EQUITIES, INC.
(A Development Stage Company)

STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)

For the Period from January 24, 1989 (Inception) To September 30, 1991

(Information pertaining to the nine months ended September 30, 1991 is unaudited)

	Common Stock Shares	Common Stock Amount	Additional paid-in capital	Deficit accumulated during the development stage
Common stock issued for cash to officers and directors and another individual at $.24 per share	50,000	$ 1	$11,999	$ -
Net loss for the period from January 24, 1989 (inception) to December 31, 1989	-	-	-	(13,159)
Balance at December 31, 1989	50,000	1	11,999	(13,159)
Net loss for the year ended December 31, 1990	-	-	-	(359)
Balance at December 31, 1990	50,000	1	11,999	(13,518)
Common stock issued for cash to officers and directors and another individual at $.12 per (Note 3)	87,500	-	10,500	-
Common stock issued for services to an officer and director at $.12 per share (Note 3)	7,000	-	840	-
Net loss for the nine months ended September 30, 1991	-	-	-	(3,375)
Balance at September 30, 1991	144,500	$ 1	$23,339	$(16,893)

See accompanying notes.

AUBURN EQUITIES, INC.
(A Development Stage Company)

STATEMENT OF CASH FLOWS

For the Nine Months Ended September 30, 1990 and 1991
And Cumulative Amounts from Inception to September 30, 1991
(Unaudited)

	Nine months ending September 30, 1990	Nine months ending September 30, 1991	Cumulative amounts from inception
Cash flows from operating activities:			
Net loss	$ (309)	$(3,375)	$(16,893)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization	150	150	533
Common stock issued for services	-	840	840
Increase (decrease) in accounts payable	-	(1,200)	935
Total adjustments	150	(210)	2,308
Net cash used in operations	(159)	(3,585)	(14,585)
Cash flows from investing activities:			
Organization costs	-	-	(1,000)
Cash flows from financing activities:			
Proceeds from issuance of common stock	-	10,500	22,500
Deferred offering costs	-	(12,710)	(12,710)
Increase in amount due to shareholder	-	5,800	5,800
Net cash provided by financing activities	-	3,590	15,590
Increase (decrease) in cash	(159)	5	5
Cash at beginning of period	159	-	-
Cash at end of period	$ -	$ 5	$ 5

See accompanying notes.

AUBURN EQUITIES, INC.
(A Development Stage Company)

NOTES TO UNAUDITED FINANCIAL STATEMENTS

December 31, 1990 and September 30, 1991

1. Organization and summary of significant accounting policies

Organization:

Auburn Equities, Inc. was incorporated in Colorado on January 24, 1989 (inception), for the purpose of obtaining capital to take advantage of business opportunities which have potential for profit. The Company is considered to be a development stage enterprise as more fully defined in Statement No. 7 of the Financial Accounting Standards Board. Since inception, the Company has been engaged primarily in organizational and fund raising activities.

Basis of presentation:

The accompanying financial information for the three month and nine month periods ended September 30, 1990 and 1991 in this report have been prepared by the Company without audit pursuant to the rules and regulations of the Securities and Exchange Commission and reflect, in the opinion of management, all adjustments necessary to present fairly the results of the operations of the interim periods presented herein. Certain information in footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted pursuant to such rules and regulations, although the Company believes the disclosures presented herein are adequate to make the information presented not misleading. It is suggested that these condensed financial statements be read in conjunction with the complete financial statements and notes thereto included in the Company's Registration Statement on Form S-18 for the year ended December 31, 1990, which report has been filed with the Securities and Exchange Commission, and is available from the Company.

2. Deferred stock offering costs

Deferred stock offering costs represent costs incurred to September 30, 1991, in connection with the offering of common stock to the public (see Note 4). Costs incurred as of September 30, 1991, and additional costs incurred subsequent to that date will be charged against the proceeds of the offering.

3. Common stock

In April of 1991, the Company issued 94,500 shares of its $.00001 par value common stock to officers and directors and another individual pursuant to a private offering, for cash consideration of $10,500 and services valued at $840 ($.12 per share).

AUBURN EQUITIES, INC.
(A Development Stage Company)

NOTES TO UNAUDITED FINANCIAL STATEMENTS

December 31, 1990 and September 30, 1991

3. Common stock (continued)

In April of 1991, the Company's Board of Directors and shareholders authorized 1000-for-one reverse stock split. Retroactive effect has been given to the stock split in all share and per share data in the accompanying financial statements.

4. Subsequent event

On December 16, 1991, the Company successfully completed a public offering of 39,003 units (one share of its $.00001 par value common stock and one Class A warrant) at $6.00 per unit, pursuant to a Registration Statement filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended. Each Class A warrant entitles the holder to purchase one share of common stock for $7.00 per share and receive one Class B warrant. Each Class B warrant entitles the holder to purchase one share of common stock for $8.00 per share. The Class A warrants are exercisable at any time during a twelve month period following the effective date of the offering (September 11, 1991) and the Class B warrants are exercisable at any time within twenty-four months from the effective date of the offering. The warrants are callable and cancelable by the Company upon 30 days prior written notice to the warrantholders.

Pursuant to the requirements of the Colorado Securities Act, the Company has escrowed 80% of the net proceeds of this offering ($146,000) until such time as the Company enters into a definitive merger or acquisition agreement with a target company. In the event that the Company has not entered into such an agreement within two years after the effective date of the offering, the Company will distribute the escrowed amount to the public shareholders of the Company on a pro-rata basis.

In connection with the public offering, the underwriter acquired from the Company 975 shares of the Company's $.00001 par value common stock (one share of common stock for every 40 units sold in the offering) for a total purchase price of $100.

In connection with the offering the Company has incurred legal, accounting, printing, a 3% non-accountable expense allowance and a 1% accountable expense allowance to the underwriter and other costs totaling approximately $42,000 associated with the offering, exclusive of broker-dealer commissions.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Material Changes in Financial Condition

At September 30, 1991, the Company had a working capital deficiency of $6,730 as compared to a working capital deficiency of $2,135 on December 31, 1990. The increase is attributed primarily to costs incurred in connection with the stock offering. The Company has not generated any revenues to date and has been required to expend working capital on organizational expenses and stock offering costs.

On December 16, 1991 the Company closed its public offering with the sale of 39,003 units for gross proceeds of $234,018. The Company received net proceeds of $198,492 after deduction of underwriting commissions of $23,402 and expense allowance of $9,361. After payment of offering expenses the Company will retain net proceeds from the offering of $176,645, of which $146,000 is escrowed until such time as the Company enters into a definitive merger or acquisition agreement with a target company.

The Company's unaudited summary balance sheet as of December 31, 1991, which reflects the net proceeds received from the public offering, is as follows:

BALANCE SHEET

December 31, 1991
(Unaudited)

ASSETS

Current Asset:	
Cash	$183,561
Other assets:	417
Total	$183,978

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liability:	
Accounts payable	$ 935
Stockholders' equity:	
Common stock, $.00001 par value; 900,000,000 shares authorized, 183,503 shares issued and outstanding	1
Additional paid-in capital	199,985
Deficit accumulated during the development stage	(16,943)
Total stockholders' equity	183,043
Total	$183,978

Material Changes in Results of Operations

The Company has not yet commenced operations. It is anticipated that the Company will continue to incur losses in the near future.

With the completion of the Company's public offering, the Company is proceeding with its business plan to seek, investigate and acquire an interest in a business opportunity.

PART II OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(b) Reports on Form 8-K

During the quarter ended September 30, 1991, the Registrant filed no reports on Form 8-K.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AUBURN EQUITIES, INC.

Dated: March 15, 1992

By _____
A. Jay Boimdrenghien
President